

Five priorities for your reinvention agenda: Financial Services

From PwC’s 27th Annual Global CEO Survey

This year’s survey suggests companies recognise the urgency to reinvent and are taking steps towards change.

As climate change, generative AI, and a range of other threats and opportunities converge, Financial Services (FS) CEOs must accelerate their efforts to examine and evolve their business models in order to deliver sustained outcomes for stakeholders and society. Here are five priorities for your reinvention agenda.



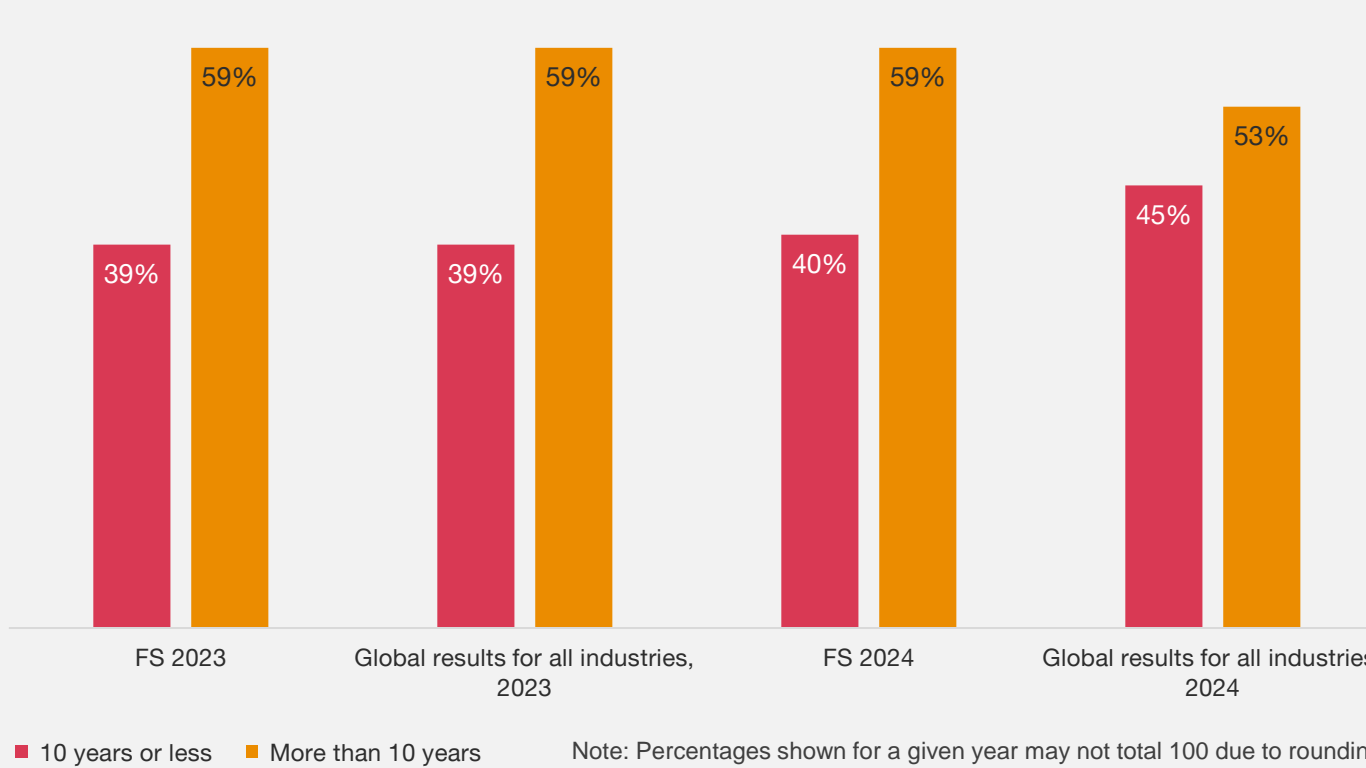
PRIORITY 01



Consider the long-term viability of your business model

Globally, 97% of CEOs report they've taken some steps to reinvent in the last five years. But translating actions to results is challenging. Despite their efforts, 40% of FS CEOs say they're not confident their business will be economically viable in a decade if they stay on their current path.

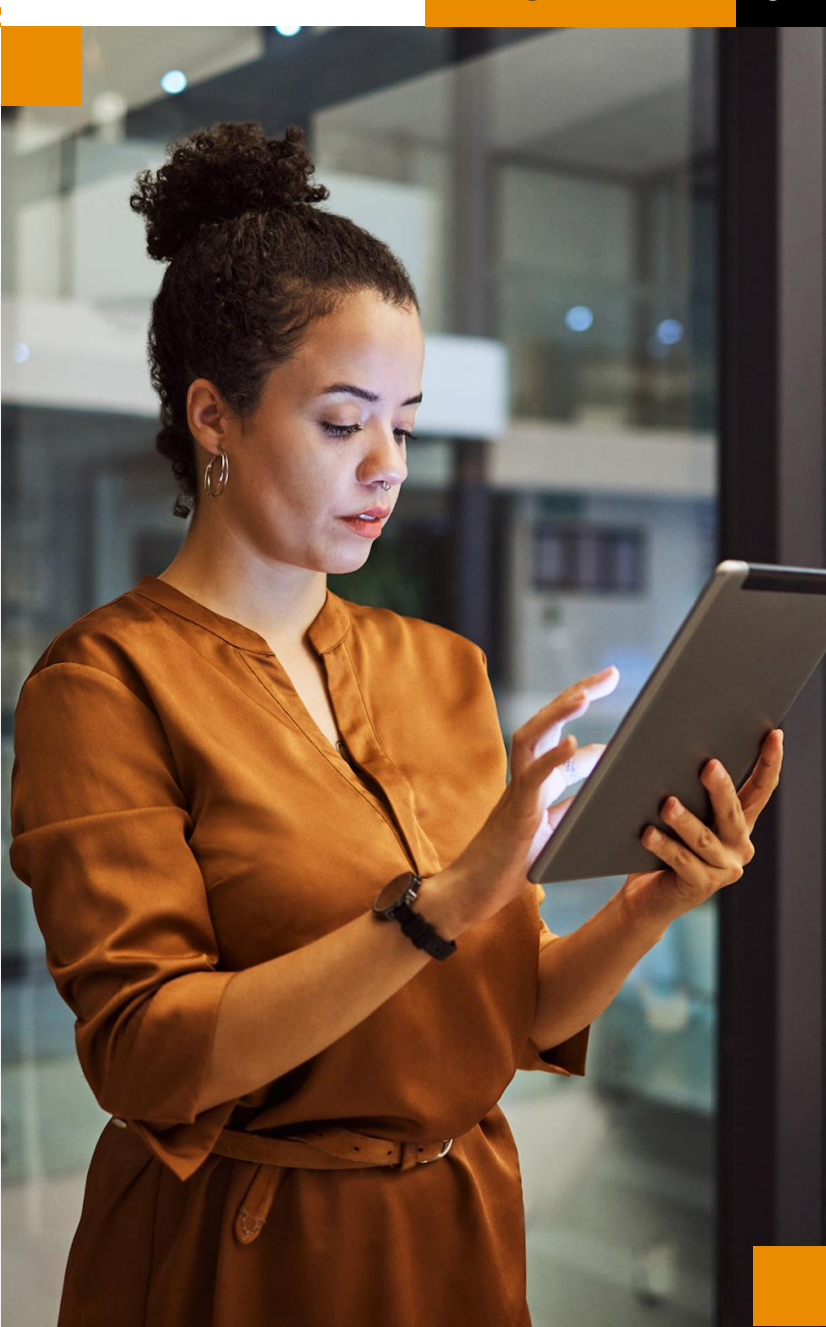
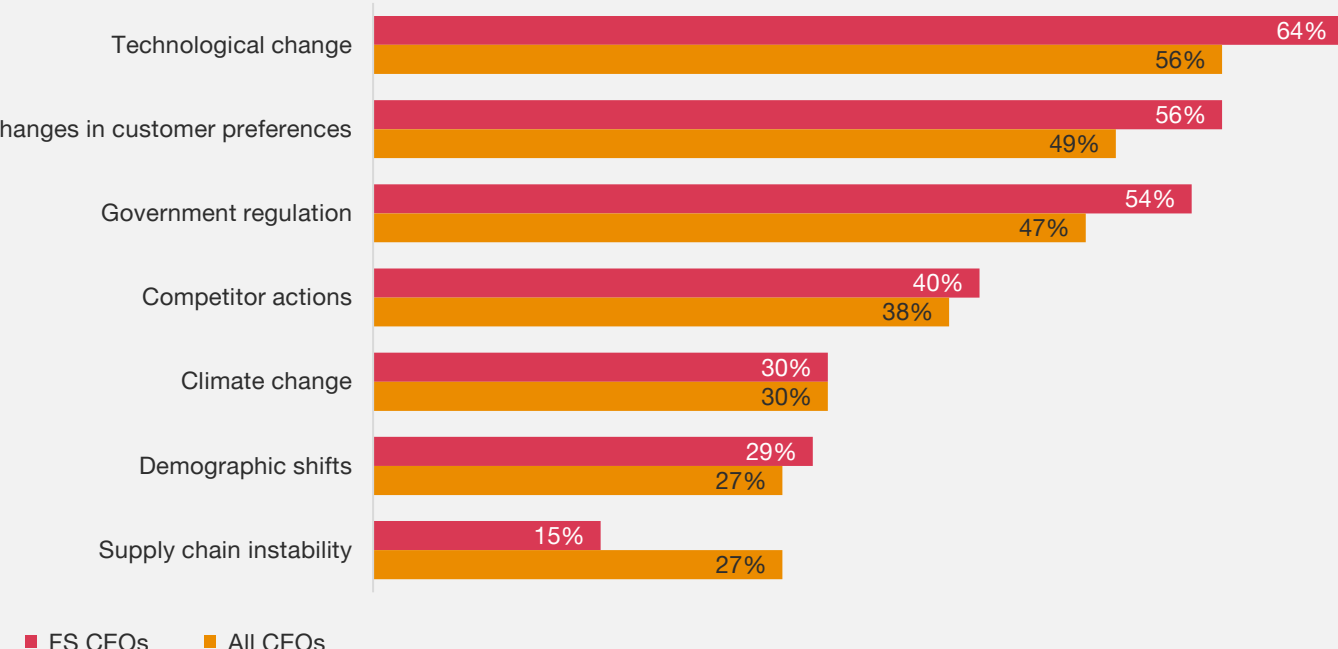
Share of CEOs that state their business will remain economically viable for the time frames shown



Understand the power of the megatrends

Powerful, transformative forces are driving the need to reinvent. FS CEOs expect greater pressure in the next three years from factors that influence business model change—such as technological change, demographic shifts and climate change—than they saw in the last five years, specifically when it comes to how they create, deliver and capture value. Analyse how trends impact your region and industry to identify opportunities and stay ahead of threats.

Share of CEOs who expect that the following factors will drive business model change in the next three years (Showing only 'to a large extent' and 'to a very large extent' responses)



PRIORITY 02

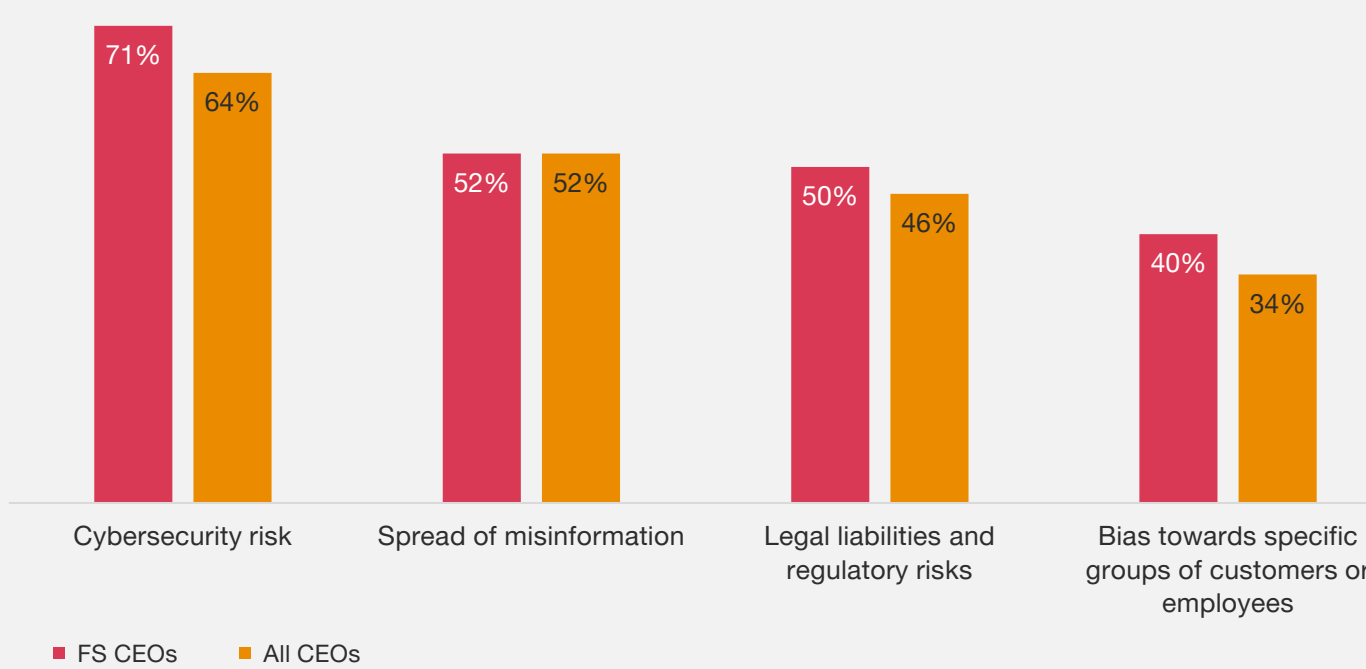
PRIORITY 03



Move fast but responsibly on generative AI

In the next year, a significant share of FS CEOs expect generative AI to increase efficiency in employees' time at work (65%) and improve the quality of their company's products or services (59%), among other benefits. But CEOs are also concerned that generative AI will increase cybersecurity risk and bias, and pose other challenges. As you explore generative AI's bright potential, don't forget to dedicate serious and consistent attention to its potential pitfalls.

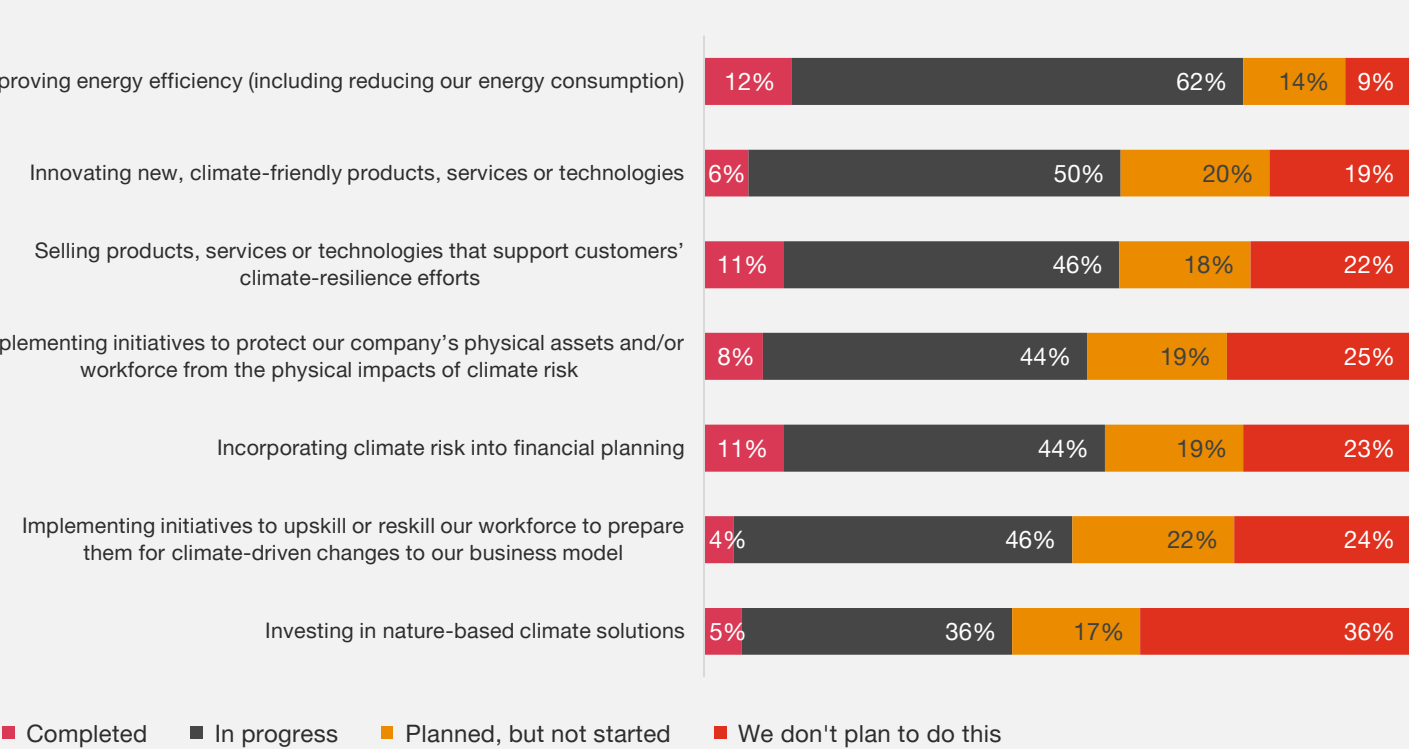
Share of CEOs who agree generative AI is likely to increase risks in their companies in the next 12 months



Go beyond decarbonisation for sustainability

FS CEOs say their company is making the most progress on improving energy efficiency, including reducing energy consumption. But far fewer FS CEOs have plans for other climate actions, such as nature-based solutions. Look for opportunities to create nature-positive business models that don't just mitigate risks, but also strengthen financial returns and benefit society.

Share of FS CEOs reporting progress on actions related to climate change



PRIORITY 04

PRIORITY 05



Address inefficiencies to free up reinvention resources

FS CEOs see enormous inefficiencies across their company's administrative activities. The cost of that inefficiency adds up to trillions of dollars. Free up resources for reinvention by addressing inefficiencies in your organisation—for example, by tightening meeting protocols, streamlining hiring and performance review processes, and automating some routine tasks.

FS CEOs' estimates of the percentage of company time spent inefficiently on the following activities/processes



About the 27th Annual Global CEO Survey: PwC surveyed 4,702 CEOs in 105 countries and territories. To view the global report, please visit <https://www.pwc.com/ceosurvey>

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